LOUISIANA ALTERNATIVE FUEL VEHICLE INCENTIVES AND LAWS

Overview

The State of Louisiana offers an income tax credit for 20% of the incremental or conversion costs for alternative fuel vehicles (AFVs) or refueling stations.

Highlights

\$ State income tax credit for 20% of the costs of converting a vehicle to alternative fuels, or up to \$1,500 for 20% of the incremental cost of purchasing a factory-equipped AFV.

State Incentives

\$ Act 1060 (1991) offers a state income tax credit for 20% of the incremental cost of purchasing a factory-equipped AFV, 20% of the cost for converting a vehicle to alternative fuels, and alternative fuel refueling stations. For the purchase of an original equipment manufacturer (OEM) AFV, the tax credit cannot exceed the lesser of 2% of the cost of the vehicle or \$1,500. Act 169 (1992) stipulates that only those vehicles registered in Louisiana can receive the tax credit. For additional information on the tax credit, contact the Louisiana Department of Natural Resources, Scott Wehnar (504) 342-2122 or Bill Delmar (504) 342-2133.

Utility/Private Incentives

<u>Arkansas Louisiana Gas (Arkla)</u> has a special lower rate for compressed natural gas (CNG) used to fuel vehicles. Arkla offers technical assistance and station design assistance for natural gas refueling stations. For more information, contact Arthur Connerly at (501) 377-4877 or Dwayne Brown at (501) 377-4742.

<u>Trans Louisiana Gas</u> operates a public refueling station in Lafayette. Trans Louisiana Gas may offer incentives for the conversion of natural gas vehicles (NGVs) on a case-by-case basis. Contact Frank Marino at (318) 268-4407 for additional information.

Laws & Regulations

Act 927 (1990) requires that as many as 80% of all state vehicles be converted to operate on alternative fuels by 1998. This provision was extended to all political subdivisions of the state by Act 954 (1990). The phase-in requirements for government vehicles capable of using alternative fuels are as follows:

September 1, 1994: 30%

September 1, 1996: 50%

September 1, 1998: as high as 80%

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Laws & Regulations (cont.)

Acts 927 and 954 also prohibit subsidies and incentives for the production of CNG, liquefied petroleum gas (LPG), reformulated gasoline (RFG), and methanol or ethanol.

Executive Order EWE93-9 requires the Department of Natural Resources to convert a minimum of 500 vehicles and up to 1,500 (25% of the state fleet) to CNG, LNG, or LPG. In addition, a total of 8 CNG/LNG refueling stations accessible to both the general public and state government vehicles, are scheduled to be built.

Act 531 (1990) directed the Public Service Commission to deregulate the sale of CNG by producers, pipelines, distribution companies, or other persons when it is used as a transportation fuel.

Act 516 (1991) provided for an alternate method of paying tax on LPG and CNG when used as a motor fuel.

Act 666 (1993) reduced the special fuels tax provided by Act 516 (1991) to a flat rate of \$150/year or a variable rate of 16¢/gasoline gallon equivalent (gge). Act 7 (1994) lowers the special fuels tax rate for school buses that transport Louisiana students to one-half the rate specified in Act 666.

Points of Contact

Louisiana State Energy Office

Louisiana Department of Natural Resources Scott Wehnar (504) 342-2122

Bill Delmar, P.E. (504) 342-2133

Arkansas Louisiana Gas (Arkla)

Arthur Connerly (501) 377-4877 Dwayne Brown (501) 377-4742

Trans Louisiana Gas

Frank Marino (318) 268-4407

Metropolitan Planning Organizations

Imperial Calcasieu Regional Planning and Development Commission

Patricia Quigley (318) 433-1771

Capital Region Planning Commission

Huey Dugas (504) 383-5203

Louisiana State Transportation Contact

Department of Transportation and Development

Coan Bueche (504) 358-9131

U.S. Department of Energy Denver Regional Support Office

Dallas Duty Station

Dan Deaton (972) 491-7276

U.S. Department of Transportation Contacts

Federal Highway Administration

Region 6

George Hadley (817) 334-3235

Federal Transit Administration

Region 6

Jesse Balleza (817) 860-9663

General Services Administration

Regional Fleet Manager

Region 7

Virlene Griffin (817) 978-2381

U.S. Environmental Protection Agency Regional Pollution Prevention Coordinators

Region 6

Rob Lawrence (214) 665-6580 Linda Thompson (212) 665-6568